



NEWS

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See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).

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FCC PROPOSES OVER \$6.5 MILLION IN TOTAL FINES AGAINST TWO CARRIERS FOR VIOLATIONS OF CONSUMER DISCLOSURE REQUIREMENTS

Washington, D.C. - Today the Federal Communications Commission (Commission) released two Notices of Apparent Liability proposing a total of \$6,560,000 in fines against two operator service providers (OSPs), One Call Communications, Inc. d/b/a Opticom (Opticom) and ASC Telecom, Inc. (ASC). Both companies were cited for apparently engaging in egregious and widespread violations of the Communications Act and related Commission rules governing consumer disclosure requirements for operator-assisted calls made from payphones.

The Commission proposed a \$5,120,000 fine for Opticom's 64 apparent violations and a \$1,440,000 fine for ASC's 18 apparent violations. If ultimately imposed, these would be the highest fines for operator service violations imposed by the Commission. The Commission calculated the proposed forfeitures by using the \$80,000 per violation amount previously used in cases involving egregious slamming.

The proposed fines result from an investigation by the Commission's Enforcement Bureau initiated this spring. The investigation, conducted at payphone locations heavily used by consumers and travelers in the Washington, D.C. area, revealed apparent widespread violation of the Commission's rules requiring that OSPs identify themselves by their company name ("branding") and make their rates available. These violations appear to be part of a deliberate scheme to take advantage of consumers' dialing errors by involving access numbers that are similar to nationally advertised access numbers. For example, consumer's mistakenly dialing 1-800-COOLECT instead of 1-800-COLLECT (so-called "fat finger dialing") would be connected to Opticom rather than their desired carrier. Because Opticom did not identify itself, as required by the rules, the uninformed consumers inadvertently used Opticom's services and received bills with very high per minute rates.

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ASC is a subsidiary of Sprint Corporation and is headquartered in Westwood, Kansas. Opticom is headquartered in Carmel, Indiana. ASC and Opticom have 30 days to either pay the fine, or show why it should be reduced or not imposed.

Action by the Commission, September 17, 2002, by Notices of Apparent Liability (FCC 02-258 and FCC 02-259). Chairman Powell; Commissioners Abernathy, Copps and Martin.

File Nos. EB-02-TC-003 and EB-02-136

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